

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Modification of Mail Classification
Schedule Regarding the Issuance
Of New Forever Stamps

Docket No. MC2015-42

Comments of Stamps.com
(April 2, 2015)

Pursuant to Commission Order No. 2414 (Mar. 26, 2015), Stamps.com submits these comments. Stamps.com is a leading provider of various Internet-based postage products and services, Customized Postage being relevant here. Stamps.com has been the leader in transforming mailing and shipping for small businesses, enterprise mailers, e-commerce sellers, and high volume shippers. During both 2013 and 2014, Stamps.com was named to Forbes magazine's "America's Best Small Companies" list. We thank the Commission for this opportunity.

By its Notice in this docket, the Postal Service has proposed to extend the availability of “non-denominated, non-expiring (“Forever”) status to stamps for” postcards, two- and three-ounce letters, the additional-ounce rate, and the first-ounce

nonmachinable surcharge. Notice at 1. Stamps.com supports this extension. All of these stamps are by nature difficult for consumers to manage, particularly in the face of rate adjustments; they also require special planning and arrangement by the Postal Service. Thus, without reaching, they are in line with the purpose of the Forever stamp.

As a step beyond the instant proposal, Stamps.com also supports Forever status for Customized Postage. The benefits of Forever status also apply to Customized Postage, in some ways more strongly.

Our Customized Postage products are called PhotoStamps® labels and PhotoNetStamps™ labels. They allow buyers to put pictures of their choosing on approved PC Postage labels that look and function like stamps, often pictures of themselves, friends, or a favorite pet. PhotoStamps are ordered on a central website, ahead of time, often as a gift or for a special occasion. Most orders are not large and they are used on single-piece mailings. The time between purchase and use can be significant. For the latter reason, rate changes are particularly difficult for buyers to accommodate, leading, we have found, to reduced purchasing and discouragement in the months before a rate change. In other words, what was anticipated as uplifting turns into irritation.

The costs involved are not negligible. Stamps.com has invested heavily in creating, maintaining and supporting our software and our printing facility, and pays a substantial annual fee to the Postal Service. The cost to the customer is also significant, and is large relative to the size of rate increases (or decreases). Therefore, it would not be logical for a customer to consider a Forever PhotoStamp as a way to avoid a postage increase. Further, some portion of PhotoStamps purchased are stored

in some memorable way, not used. Despite this, the Postal Service receives full postage. It is a torturous path to find reasoning that leads to a Postal Service loss, especially one that is not easier to achieve with Forever stamps.

Stamps.com believes that a provision for Customized Postage could be made easily. Our systems are sophisticated and highly controlled. Accordingly, if there is concern over how the provision would be used, Stamps.com is in a position to collect data and control usage, along the lines of an experiment. We would appreciate Commission review of our suggestion, and, if warranted, Commission support for the steps needed to move forward.

Respectfully submitted,

s/Seth Weisberg

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